

94TH CONGRESS  
1ST SESSION

# S. 586

[Report No. 94-277]

## IN THE SENATE OF THE UNITED STATES

FEBRUARY 5, 1975

Mr. HOLLINGS (for himself, Mr. MAGNUSON, Mr. JACKSON, Mr. KENNEDY, Mr. MATHIAS, Mr. TUNNEY, Mr. WILLIAMS, Mr. CASE, Mr. HARTKE, Mr. HUMPHREY, Mr. INOUE, Mr. PELL, Mr. RIBICOFF, and Mr. WEICKER) introduced the following bill; which was read twice and referred to the Committee on Commerce

[Strike out all after the enacting clause and insert the part printed in italic]

JULY 11 (legislative day, JULY 10), 1975

Reported by Mr. HOLLINGS, with amendments

## A BILL

To amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*  
3     ~~That this Act may be cited as the "Coastal Zone Environ-~~  
4     ~~ment Act of 1975".~~

5     ~~SEC. 2. Section 302 of the Coastal Zone Management~~  
6     ~~Act of 1972 (16 U.S.C. 1451) is amended by (1) deleting~~  
7     ~~"and" immediately after the semicolon in subsection (g)~~  
8     ~~thereof; (2) deleting the period at the end thereof and in-~~

1   serting in lieu thereof “; and ”; and (3) inserting at the end  
2   thereof the following new subsection:

3       “(i) ~~The national interest in adequate energy supplies~~  
4   ~~requires that adequate assistance be provided to the coastal~~  
5   ~~States to enable them to (1) study, plan for, manage, and~~  
6   ~~ameliorate any adverse consequences of energy facilities~~  
7   ~~siting and of energy resource development or production~~  
8   ~~which affects, directly or indirectly, the coastal zone and to~~  
9   ~~provide for needed public facilities and services associated~~  
10   ~~with such activity; (2) coordinate coastal zone planning,~~  
11   ~~policies, and programs in interstate and regional areas; and~~  
12   ~~(3) develop short term research, study, and training capa-~~  
13   ~~bilities for the management of the coastal resources of the~~  
14   ~~States.”~~

15       ~~SEC. 3. (a) Section 307 (c) (3) of the Coastal Zone~~  
16   ~~Management Act of 1972 (16 U.S.C. 1455 (c) (3)) is~~  
17   ~~amended by (1) deleting “license or permit” in the first sen-~~  
18   ~~tence thereof and inserting in lieu thereof “license, lease, or~~  
19   ~~permit”; (2) deleting “licensing or permitting” in the first~~  
20   ~~sentence thereof and inserting in lieu thereof “licensing, leas-~~  
21   ~~ing, or permitting”; and (3) deleting “license or permit” in~~  
22   ~~the last sentence thereof and inserting in lieu thereof “license,~~  
23   ~~lease, or permit”.~~

24       ~~(b) Section 307 (c) of such Act is amended by adding~~  
25   ~~at the end thereof the following new paragraph:~~

1       ~~"(4) Any applicant for a required license, lease, or~~  
 2       ~~permit for development or production of energy resources or~~  
 3       ~~for the siting of energy facilities to be located in or which~~  
 4       ~~would directly or indirectly affect the coastal zone shall certify~~  
 5       ~~that the proposed activity complies with, and will be con-~~  
 6       ~~ducted in a manner consistent with any approved State~~  
 7       ~~management program and in accordance with the procedures~~  
 8       ~~for assuring the consistency of Federal activities with ap-~~  
 9       ~~proved State management programs pursuant to paragraph~~  
 10       ~~(3) of this section."~~

11       ~~SEC. 4. The Coastal Zone Management Act of 1972~~  
 12       ~~(16 U.S.C. 1451 et seq.) is amended by (1) redesignating~~  
 13       ~~sections 308 through 315 thereof as sections 311 through~~  
 14       ~~318 thereof, respectively; and (2) inserting therein the~~  
 15       ~~following three new sections:~~

16                       ~~"COASTAL IMPACT FUND~~

17       ~~"SEC. 308. (a) There is established in the Treasury of~~  
 18       ~~the United States the Coastal Impact Fund (hereinafter~~  
 19       ~~referred to as the 'Fund'). The Fund shall be administered~~  
 20       ~~by the Secretary. The Secretary is authorized to make 100~~  
 21       ~~per centum annual grants from the Fund to those coastal~~  
 22       ~~States which the Secretary determines are likely to be sig-~~  
 23       ~~nificantly and adversely impacted by the development or~~  
 24       ~~production of energy resources or by the siting of energy~~  
 25       ~~facilities to be located in or which would affect, directly or~~

1 ~~indirectly, the coastal zone and which have complied with~~  
2 ~~the eligibility requirements established in subsection (b) of~~  
3 ~~this section. Such grants may be made for the purpose of~~  
4 ~~(1) studying, planning for, managing, controlling, and~~  
5 ~~ameliorating economic, environmental, and social conse-~~  
6 ~~quences likely to result from such development, production,~~  
7 ~~or siting; and (2) constructing public facilities and providing~~  
8 ~~public services made necessary by such development, produc-~~  
9 ~~tion, or siting and activities related thereto.~~

10     ~~“(b) The Secretary shall, by regulations, in accordance~~  
11 ~~with section 553 of title 5, United States Code, establish~~  
12 ~~requirements for grant eligibility. Such regulations shall pro-~~  
13 ~~vide that a State is eligible for such grant upon a finding~~  
14 ~~by the Secretary that such State—~~

15         ~~“(1) is receiving a program development grant~~  
16 ~~under section 305 of this Act and is making satisfactory~~  
17 ~~progress, as determined by the Secretary, toward the~~  
18 ~~development of a coastal zone management program~~  
19 ~~under section 306 of this Act, or is receiving an admin-~~  
20 ~~istrative grant under section 306 of this Act; and~~

21         ~~“(2) has demonstrated, to the satisfaction of the~~  
22 ~~Secretary that such grants will be used for purposes~~  
23 ~~directly related to those specified in subsection (a) of~~  
24 ~~this section.~~

25         ~~“(c) The Secretary shall coordinate grants made pur-~~

1 ~~suant to this section with the coastal zone management pro-~~  
2 ~~gram developed or being developed by the coastal State re-~~  
3 ~~questing such grant, pursuant to section 305 or 306 of this~~  
4 ~~Act.~~

5       ~~“(d) Such grants shall be allocated to the coastal States~~  
6 ~~in proportion to the anticipated or actual impacts upon such~~  
7 ~~States resulting from development or production of energy~~  
8 ~~resources or the siting of energy facilities to be located in or~~  
9 ~~which would affect, directly or indirectly, the coastal zone.~~

10       ~~“(e) A coastal State may, for the purpose of carrying~~  
11 ~~out the provisions of this section and with the approval of the~~  
12 ~~Secretary, allocate a portion of any grant received under this~~  
13 ~~section to (1) any political subdivision of such State; (2)~~  
14 ~~an areawide agency designated under section 204 of the~~  
15 ~~Demonstration Cities and Metropolitan Development Act~~  
16 ~~of 1966; (3) a regional agency; or (4) an interstate agency.~~

17       ~~“INTERSTATE COORDINATION GRANTS TO STATES~~

18       ~~“SEC. 309. (a) The States are encouraged to give high~~  
19 ~~priority to coordinating State coastal zone planning, policies,~~  
20 ~~and programs in contiguous interstate areas and to study,~~  
21 ~~plan, or implement unified coastal zone policies in such areas.~~  
22 ~~The States may conduct such coordination, study, planning,~~  
23 ~~or implementation through interstate agreement or com-~~  
24 ~~pacts. The authorization of Congress is hereby given to two~~  
25 ~~or more States to negotiate and enter into interstate agree-~~

~~1    ments or compacts, not in conflict with any law or treaty~~  
~~2    of the United States, upon such terms and conditions, includ-~~  
~~3    ing the establishment of such public agencies, entities, or au-~~  
~~4    thorities as are reasonable or appropriate, for the purpose of~~  
~~5    said coordination, study, planning, or implementation: *Pro-*~~  
~~6    *vided*, That such agreements or compacts shall provide an~~  
~~7    opportunity for participation, for coordination purposes,~~  
~~8    by Federal and local governments and agencies as well as~~  
~~9    property owners, users of the land, and the public. Such~~  
~~10   agreement or compact shall be binding or obligatory upon~~  
~~11   any State or party thereto without further approval by~~  
~~12   Congress.~~

~~13        “(b) The Secretary is authorized to make annual grants~~  
~~14   to the coastal States, not to exceed 90 per centum of the~~  
~~15   cost of such coordination, study, planning, or implementa-~~  
~~16   tion, if the Secretary finds that each coastal State receiving~~  
~~17   a grant under this section will use such grants for purposes~~  
~~18   consistent with the provisions of sections 305 and 306 of this~~  
~~19   Act.~~

~~20                    “COASTAL RESEARCH ASSISTANCE~~

~~21        “SEC. 310. The Secretary is authorized to provide as-~~  
~~22   sistance to enable the coastal States to develop a capability~~  
~~23   for carrying out short term research, studies, and training~~  
~~24   required in support of coastal zone management. Such assist-~~  
~~25   ance may be provided through (1) the payment of funds to~~

1 appropriate departments and agencies of the Federal Gov-  
 2 ernment as he shall determine; (2) the employment of pri-  
 3 vate individuals, partnerships, firms, corporations, or other  
 4 suitable institutions, under contracts entered into for such  
 5 purposes; or (3) annual grants to the coastal States not to  
 6 exceed 66 $\frac{2}{3}$  per centum of the costs of such assistance. As-  
 7 sistance under this section is for the purpose of conducting or  
 8 encouraging research and studies into the problems of coastal  
 9 zone management and to provide for the training of persons  
 10 to carry on further research or to obtain employment in  
 11 private or public organizations which are concerned with  
 12 coastal zone management."

13 ~~SEC. 5. Section 316 of the Coastal Zone Management~~  
 14 ~~Act of 1972 (16 U.S.C. 1462), as redesignated by this Act,~~  
 15 ~~is amended by (1) deleting "and" at the end of paragraph~~  
 16 ~~(8) thereof immediately after the semicolon; (2) renumber-~~  
 17 ~~ing paragraph "(9)" thereof as paragraph "(11)" thereof;~~  
 18 ~~and (3) inserting the following two new paragraphs:~~

19       ~~"(9) a general description of the economic, environ-~~  
 20 ~~mental, and social impacts of the development or pro-~~  
 21 ~~duction of energy resources or the siting of energy facili-~~  
 22 ~~ties affecting the coastal zone;~~

23       ~~"(10) a description and evaluation of interstate and~~  
 24 ~~regional planning mechanisms developed by the coastal~~  
 25 ~~States; and"~~

1       ~~SEC. 6. (a) Section 305 (h) of the Coastal Zone Man-~~  
 2       ~~agement Act of 1972 (16 U.S.C. 1454 (h)) is amended by~~  
 3       ~~deleting "1977" and by inserting in lieu thereof "1980".~~

4       ~~(b) Section 318 (a) of such Act (16 U.S.C. 1464 (a)),~~  
 5       ~~as redesignated by this Act, is amended by (1) deleting~~  
 6       ~~"three" in paragraph (1) thereof and inserting in lieu there-~~  
 7       ~~of "four"; (2) deleting "1977" in paragraph (2) thereof~~  
 8       ~~and inserting in lieu thereof "1980"; (3) deleting "and"~~  
 9       ~~after the semicolon in paragraph (2) thereof; (4) redesign-~~  
 10       ~~ating paragraph "(3)" thereof as paragraph (6) thereof;~~  
 11       ~~(5) deleting "312" therein and inserting in lieu thereof~~  
 12       ~~"315"; and (6) inserting therein the following three new~~  
 13       ~~paragraphs:~~

14               ~~"(3) a sum not to exceed \$200,000,000 for the~~  
 15               ~~fiscal year ending June 30, 1976, and for each of the~~  
 16               ~~four succeeding fiscal years, to the Coastal Impact~~  
 17               ~~Fund for grants pursuant to the provisions of section~~  
 18               ~~308, to remain available until expended;~~

19               ~~"(4) such sums, not to exceed \$5,000,000 for the~~  
 20               ~~fiscal year ending September 30, 1976, and for each of~~  
 21               ~~the three succeeding fiscal years, as may be necessary~~  
 22               ~~for grants under section 309, to remain available until~~  
 23               ~~expended;~~

24               ~~"(5) such sums, not to exceed \$5,000,000 for the~~  
 25               ~~fiscal year ending September 30, 1976, and for each of~~



1     ~~the three succeeding fiscal years, as may be necessary,~~  
 2     ~~for assistance under section 310, to remain available until~~  
 3     ~~expended; and”.~~

4     ~~(c) Section 318 (b) of such Act is amended by deleting~~  
 5     ~~“four” and inserting in lieu thereof “seven”.~~

6     ~~SEC. 7. (a) Section 302 (c) of the Coastal Zone Man-~~  
 7     ~~agement Act of 1972 (16 U.S.C. 1451 (c)) is amended by~~  
 8     ~~inserting “ecological,” immediately after “recreational.”.~~

9     ~~(b) Section 304 of such Act (16 U.S.C. 1453) is~~  
 10    ~~amended by (1) inserting in subsection (a) thereof “islands”~~  
 11    ~~immediately after “and includes”; (2) deleting in subsection~~  
 12    ~~(c) thereof “and” after “transitional areas,” and inserting~~  
 13    ~~“and islands” after “uplands,”; and (3) adding at the end~~  
 14    ~~thereof the following new subsection:~~

15       ~~“(j) ‘Beach’ means the area defined by the coastal State~~  
 16    ~~under paragraph (7) of subsection (b) of section 305.”~~

17    ~~(c) Section 305 (b) of such Act (16 U.S.C. 1454 (b))~~  
 18    ~~is amended (1) by deleting the period at the end thereof~~  
 19    ~~and inserting in lieu thereof a semicolon; and by adding at~~  
 20    ~~the end thereof the following new paragraph:~~

21       ~~“(7) a general plan for the protection of access to~~  
 22    ~~public beaches and other coastal areas of environmental,~~  
 23    ~~recreational, historical, esthetic, ecological, and cultural~~  
 24    ~~value. Such plan shall include a definition of the term~~  
 25    ~~‘beach’.”.~~

1       ~~(d) Section 306 (c) (9) of such Act (16 U.S.C. 1461),~~  
 2       ~~as redesignated by this Act, is amended by (1) inserting~~  
 3       ~~after “, Beaches and Islands” after “Estuarine Sanctuaries”~~  
 4       ~~in the title thereof; (2) deleting the period at the end of the~~  
 5       ~~first sentence thereof and inserting in lieu thereof “, and~~  
 6       ~~grants of up to 50 per centum of the costs of acquisition of~~  
 7       ~~lands to provide for protection of and access to public beaches~~  
 8       ~~and preservation of islands.”.~~

9       ~~SEC. 8. Section 318 (a) (6) of such Act (16 U.S.C.~~  
 10       ~~1464 (a) (6) ), as redesignated by this Act, is amended by~~  
 11       ~~inserting “and \$50,000,000 for each of the fiscal years 1975~~  
 12       ~~through 1980,” after “June 30, 1974,” and before “as may~~  
 13       ~~be necessary,”.~~

#### 14                               ~~DEFINITIONS~~

15       ~~SEC. 9. Section 304 of the Coastal Zone Management~~  
 16       ~~Act of 1972 (16 U.S.C. 1451) is amended by inserting~~  
 17       ~~after existing subsection (1) the following four new~~  
 18       ~~subsections:~~

19               ~~“(j) ‘energy resources’ means petroleum crude oil,~~  
 20               ~~petroleum products, coal, natural gas, or any other~~  
 21               ~~substance used primarily for its energy content;~~

22               ~~“(k) ‘development and production’ means the leas-~~  
 23               ~~ing of, exploration for, drilling for, removal, extraction,~~  
 24               ~~exploitation, or treatment, transportation and storage~~  
 25               ~~of, energy resources;~~

~~“(1) ‘energy facilities’ means electric generating plants, including hydroelectric facilities licensed by the Federal Power Commission; petroleum refineries or petrochemical plants; synthetic gasification plants, liquefaction and gasification plants, and liquefied natural gas conversion facilities providing fuel for interstate use; petroleum loading or transfer facilities; and all transmission, pipeline, and storage facilities associated with the above facilities;~~

10           “ (m) ‘public services and facilities’ means those  
11   services or facilities financed in part or in whole by local  
12   or State governments which may be required either  
13   directly or indirectly by the development or production  
14   of energy resources or the siting of energy facilities.  
15   Such services and facilities include, but are not limited  
16   to, highways, secondary roads, sewer and water facili-  
17   ties, schools, hospitals, fire and police protection and  
18   related facilities, and such other social and governmental  
19   services as necessary to support increased population  
20   and industrial development.”

**21** *TITLE I*

22 *SHORT TITLE*

23        *SEC. 101. This title may be cited as the “Coastal Zone*  
24 *Management Act Amendments of 1975”.*

## GENERAL PROVISIONS

1  
2       *SEC. 102. The Coastal Zone Management Act of 1972,*  
3       *as amended (16 U.S.C. 1451 et seq.), is amended as follows:*

4       *(1) Section 302(b) of such Act (16 U.S.C. 1451(b))*  
5       *is amended by inserting "ecological," immediately after*  
6       *"recreational,".*

7       *(2) Section 304(a) of such Act (16 U.S.C. 1453*  
8       *(a)) is amended by inserting therein "islands," immediately*  
9       *after the words "and includes".*

10       *(3) Section 304(e) of such Act (16 U.S.C. 1453(e))*  
11       *is amended by deleting "and" after "transitional areas," and*  
12       *inserting "and islands," after "uplands,".*

13       *(4) Section 304 of such Act (16 U.S.C. 1453) is*  
14       *amended by adding at the end thereof the following new*  
15       *subsections:*

16       *"(j) 'Energy facilities' means new facilities, or addi-*  
17       *tions to existing facilities—*

18               *"(1) which are or will be directly used in the ex-*  
19               *traction, conversion, storage, transfer, processing, or*  
20               *transporting of any energy resource; or*

21               *"(2) which are or will be used primarily for the*  
22               *manufacture, production, or assembly of equipment, ma-*  
23               *chinery, products, or devices which are or will be di-*  
24               *rectly involved in any activity described in paragraph*  
25               *(1) of this subsection and which will serve, impact, or*

1        *otherwise affect a substantial geographical area or sub-*  
2        *stantial numbers of people.*

3        *The term includes, but is not limited to, (A) electric generat-*  
4        *ing plants; (B) petroleum refineries and associated facilities;*  
5        *(C) gasification plants; liquefied natural gas storage, trans-*  
6        *fer, or conversion facilities; and uranium enrichment or nu-*  
7        *clear fuel processing facilities; (D) offshore oil and gas ex-*  
8        *ploration, development, and production facilities, including*  
9        *platforms, assembly plants, storage depots, tank farms, crew*  
10       *and supply bases, refining complexes, and any other instal-*  
11       *lation or property that is necessary or appropriate for such*  
12       *exploration, development or production; (E) facilities for*  
13       *offshore loading and marine transfer of petroleum; and (F)*  
14       *transmission and pipeline facilities, including terminals which*  
15       *are associated with any of the foregoing.*

16       *“(k) ‘Person’ has the meaning prescribed in section 1 of*  
17       *title 1, United States Code, except that the term also includes*  
18       *any State, local, or regional government; the Federal Gov-*  
19       *ernment; and any department, agency, corporation, instru-*  
20       *mentality, or other entity or official of any of the foregoing.*

21       *“(l) ‘Public facilities and public services’ means any*  
22       *services or facilities which are financed, in whole or in part,*  
23       *by State or local government. Such services and facilities in-*  
24       *clude, but are not limited to, highways, secondary roads,*  
25       *parking, mass transit, water supply, waste collection and*

1 *treatment, schools and education, hospitals and health care,*  
 2 *fire and police protection, recreation and culture, other*  
 3 *human services, and facilities related thereto, and such gov-*  
 4 *ernmental services as are necessary to support any increase*  
 5 *in population and development.”.*

6 (5) Section 305(b) of such Act (16 U.S.C. 1454(b))  
 7 is amended by deleting the period at the end thereof and  
 8 inserting in lieu thereof a semicolon, and by adding at the  
 9 end thereof the following new paragraphs:

10 “(7) a definition of the term ‘beach’ and a general  
 11 plan for the protection of, and access to, public beaches  
 12 and other coastal areas of environmental, recreational,  
 13 historical, esthetic, ecological, and cultural value;

14 “(8) planning for energy facilities likely to be lo-  
 15 cated in the coastal zone, planning for and management  
 16 of the anticipated impacts from any energy facility, and  
 17 a process or mechanism capable of adequately conducting  
 18 such planning activities.

19 (6) Section 305(c) of such Act (16 U.S.C. 1454(c))  
 20 is amended by deleting “66 $\frac{2}{3}$ ” and inserting in lieu thereof  
 21 “80”, and by deleting in the first sentence thereof “three”  
 22 and inserting in lieu thereof “four”.

23 (7) Section 305(d) of such Act (16 U.S.C. 1454(d))  
 24 is amended by—

25 (A) deleting the period at the end of the first sentence

1       *thereof and inserting in lieu thereof the following “:*  
2       *Provided, That notwithstanding any provision of this*  
3       *section or of section 306 no State management program*  
4       *submitted pursuant to this subsection shall be considered*  
5       *incomplete, nor shall final approval thereof be delayed,*  
6       *on account of such State’s failure to comply with any*  
7       *regulations that are issued by the Secretary to implement*  
8       *subsection (b)(7) or (b)(8) of this section, until Sep-*  
9       *tember 30, 1978.”; and*

10               *(B) deleting the period at the end thereof and insert-*  
11       *ing in lieu thereof the following “: Provided, That*  
12       *the State shall remain eligible for grants under this*  
13       *section through the fiscal year ending in 1978 for the*  
14       *purpose of developing a beach and coastal area access*  
15       *plan and an energy facility planning process for its State*  
16       *management program, pursuant to regulations adopted*  
17       *by the Secretary to implement subsections (b)(7) and*  
18       *(b)(8) of this section.”.*

19       *(8) Section 305(h) of such Act (16 U.S.C. 1454*  
20       *(h)) is amended by deleting “June 30, 1977” and inserting*  
21       *in lieu thereof “September 30, 1979”.*

22       *(9) Section 306(a) of such Act (16 U.S.C. 1455(a))*  
23       *is amended by deleting “66 $\frac{2}{3}$ ” and inserting in lieu thereof*  
24       *“80”.*

25       *(10) Section 306(c)(8) of such Act (16 U.S.C. 1455*

1 (c)(8)) is amended by adding at the end thereof the follow-  
2 ing new sentence: "In considering the national interest in-  
3 volved in the planning for and siting of such facilities which  
4 are energy facilities located within a State's coastal zone, the  
5 Secretary shall further find, pursuant to regulations adopted  
6 by him, that the State has given consideration to any appli-  
7 cable interstate energy plan or program which is promulgated  
8 by an interstate entity established pursuant to section 309 of  
9 this title."

10 (11) Section 306 of such Act (16 U.S.C. 1455) is  
11 amended by adding at the end thereof the following new  
12 subsection:

13 "(i) As a condition of a State's continued eligibility  
14 for grants pursuant to this section, the management program  
15 of such State shall, after the fiscal year ending in 1978, in-  
16 clude, as an integral part, an energy facility planning proc-  
17 ess, which is developed pursuant to section 305(b)(8) of  
18 this title, and approved by the Secretary, and a general  
19 plan for the protection of, and access to, public beaches and  
20 other coastal areas, which is prepared pursuant to section  
21 305(b)(7) of this title, and approved by the Secretary."

22 (12) Section 307(c)(3) of such Act (16 U.S.C. 1456  
23 (c)(3)) is amended by (A) deleting "license or permit" in  
24 the first sentence thereof and inserting in lieu thereof "license,  
25 lease, or permit"; (B) deleting "licensing or permitting"



1 *in the first sentence thereof and inserting in lieu thereof*  
 2 *“licensing, leasing, or permitting”; and (C) deleting “license*  
 3 *or permit” in the last sentence thereof and inserting in lieu*  
 4 *thereof “license, lease, or permit”.*

5 *(12) Sections 308 through 315 of such Act (16 U.S.C.*  
 6 *1457 through 1464) are redesignated as sections 311 through*  
 7 *318 thereof, respectively; and the following three new sections*  
 8 *are inserted as follows:*

9 ***“COASTAL ENERGY FACILITY IMPACT PROGRAM***

10 ***“SEC. 308. (a) The Secretary is authorized to make a***  
 11 *grant to a coastal State, if he determines that such State’s*  
 12 *coastal zone has been, or is likely to be, impacted by the*  
 13 *exploration for, or the development or production of,*  
 14 *energy resources or by the location, construction, expansion,*  
 15 *or operation of an energy facility. Such a grant shall be for*  
 16 *the purpose of enabling such coastal State to study and plan*  
 17 *for the economic, environmental, and social consequences*  
 18 *which are likely to result in such coastal zone from explora-*  
 19 *tion for and development or production of such energy re-*  
 20 *sources or from the location, construction, expansion, or opera-*  
 21 *tion of such an energy facility. The amount of such a grant*  
 22 *may equal up to 100 percent of the cost of such study and*  
 23 *plan, to the extent of available funds.*

24 ***“(b) The Secretary is authorized to make a loan and/or***  
 25 *a grant to a coastal State, if he determines, pursuant to sub-*

1 sections (d) and (e) of this section, that such State's coastal  
2 zone has been or is likely to be adversely impacted by explora-  
3 tion for or by development or production of energy resources  
4 or by the location, construction, expansion, or operation of an  
5 energy facility, if such adverse impact will result as a conse-  
6 quence of a license, lease, easement, or permit issued or  
7 granted by the Federal Government which permits—

8 “(1) the exploration for, or the drilling, mining,  
9 removal, or extraction of, energy resources;

10 “(2) the siting, location, construction, expansion, or  
11 operation of energy facilities by a lessee, licensee, or per-  
12 mittee; or

13 “(3) the siting, location, construction, expansion, or  
14 operation of energy facilities by or for the United States  
15 Government.

16 The proceeds of such a loan or grant shall be used for—

17 “(A) projects which are designed to reduce, amelio-  
18 rate, or compensate for the net adverse impacts; and/or

19 “(B) projects which are designed to provide new or  
20 additional public facilities and public services which are  
21 made necessary, directly or indirectly, by the location,  
22 construction, expansion, or operation of such an energy  
23 facility or energy resource exploration, development or  
24 production.

25 The amount of such a loan or grant may equal up to 100

1 percent of the cost of such a project, to the extent of avail-  
2 able funds.

3       “(c)(1) The Secretary may make a grant to a coastal  
4 State for a purpose specified in subsection (b) of this section,  
5 if he determines that such State will suffer net adverse im-  
6 pacts in its coastal zone, as a result of exploration for, or  
7 development and production of, energy resources; as a result  
8 of the location, construction, expansion, or operation of an  
9 energy facility over the course of the projected or anticipated  
10 useful life of such energy facility; or as a result of explora-  
11 tion, development, or production activity.

12       “(2) The Secretary may make a loan to a coastal State  
13 for a purpose specified in subsection (b) of this section, if  
14 the Secretary determines that such State will experience tem-  
15 porary adverse impacts as a result of exploration for, or de-  
16 velopment or production of, energy resources or as a result  
17 of the location, construction, expansion, or operation of an  
18 energy facility if such facility or such energy resource ex-  
19 ploration, development or production is expected to produce  
20 net benefits for such State over the course of its projected or  
21 anticipated useful life. No such loan, including any renewal or  
22 extension of a loan, shall be made for a period exceeding 40  
23 years. The Secretary shall from time to time establish the  
24 interest rate or rates at which loans shall be made under

1 *this subsection, but such rate shall not exceed an annual per-*  
2 *centage rate of 7 percent. The borrower shall pay such fees*  
3 *and other charges as the Secretary may require. The Sec-*  
4 *retary may waive repayment of all or any part of a loan*  
5 *made under this subsection, including interest, if the State*  
6 *involved demonstrates, to the satisfaction of the Secretary,*  
7 *that due to a change in circumstances there are anticipated*  
8 *or resultant net adverse impacts over the life of an energy*  
9 *facility or energy resource exploration, development or pro-*  
10 *duction which would qualify the State for a grant pursuant*  
11 *to paragraph (1) of this subsection.*

12       “(d) *The Secretary shall, by regulations promulgated*  
13 *in accordance with section 553 of title 5, United States Code,*  
14 *establish requirements for grant and loan eligibility pursuant*  
15 *to this section. Such requirements shall include criteria, which*  
16 *may include a formula, for calculating the amount of a grant*  
17 *or loan based upon the difference, to the State involved be-*  
18 *tween the benefits and the costs which are attributable to the*  
19 *exploration for or development and production of energy*  
20 *resources or to the location, construction, expansion, or opera-*  
21 *tion of an energy facility. Such regulations shall provide that*  
22 *a State is eligible for a grant or loan upon a finding by the*  
23 *Secretary that such State—*

24               “(1) *is receiving a program development grant*  
25 *under section 305 of this title or is engaged in such*

1     *program development in a manner consistent with the*  
2     *goals and objectives of this Act, as determined by the*  
3     *Secretary, and is making satisfactory progress, as de-*  
4     *termined by the Secretary, toward the development of*  
5     *a coastal zone management program, or that it has an*  
6     *approved such program pursuant to section 306 of this*  
7     *title;*

8             *“(2) has demonstrated to the satisfaction of the*  
9     *Secretary that it has suffered, or is likely to suffer, net*  
10    *adverse impacts, according to the criteria or formula*  
11    *promulgated by the Secretary, and has provided all*  
12    *information required by the Secretary to calculate the*  
13    *amount of the grant or loan; and*

14            *“(3) has demonstrated to the satisfaction of the Sec-*  
15    *retary and has provided adequate assurances that the*  
16    *proceeds of such grant or loan will be used in a manner*  
17    *that will be consistent with the coastal zone management*  
18    *program being developed by it, or with its approved pro-*  
19    *gram, pursuant to section 305 or 306 of this title,*  
20    *respectively.*

21            *“(e) Within 180 days after approval of this Act, the*  
22    *Secretary shall issue regulations prescribing criteria in ac-*  
23    *cordance with this Act for determining the eligibility of a*  
24    *coastal State for grants pursuant to subsections (a), (b), and*  
25    *(c)(1) of this section, and regulations for determining the*

1 amount of such grant or loan, in accordance with the fol-  
2 lowing provisions:

3       “(1) The regulations shall specify the means and  
4 criteria by which the Secretary shall determine whether a  
5 State’s coastal zone has been, or is likely to be, adversely  
6 impacted, as defined in this section, and the means and  
7 criteria by which ‘net adverse impacts’ and ‘temporary  
8 adverse impacts’ will be determined.

9       “(2) Regulations for grants pursuant to subsection  
10 (a) of this section for studying and planning, shall in-  
11 clude appropriate criteria for the activities for which  
12 funds will be provided under such subsection, including  
13 a general range of activities for which a coastal State  
14 may request funds.

15       “(3) Regulations for grants and/or loans for proj-  
16 ects pursuant to subsections (b) and (c) of this section  
17 shall specify criteria for determining—

18               “(A) the amounts which will be provided for  
19 such projects; and

20               “(B) guidelines and procedures for evaluating  
21 those projects which each coastal State considers to  
22 be most needed.

23       “(4) Regulations for loans shall provide for such  
24 security as the Secretary deems necessary, if any, to pro-  
25 tect the interests of the United States and for such terms

1       *and conditions as give assurance that such loans will*  
2       *be repaid within the time fixed.*

3           “(5) *In all cases, each recipient of financial as-*  
4       *istance under this section shall keep such records as the*  
5       *Secretary shall prescribe, including records which fully*  
6       *disclose the amount and disposition by such recipient of*  
7       *the proceeds of such assistance, the total cost of the project*  
8       *or undertaking in connection with which such assistance*  
9       *was given or used, and such other records as will facili-*  
10       *tate an effective audit. The Secretary and the Comp-*  
11       *troller General of the United States, or any of their duly*  
12       *authorized representatives, shall until the expiration of*  
13       *3 years after the completion of the project or undertaking*  
14       *involved (or repayment of a loan, in such cases) have*  
15       *access for the purpose of audit and examination to any*  
16       *books, documents, papers, and records of such recipients*  
17       *which, in the opinion of the Secretary or the Comptroller*  
18       *General may be related or pertinent to any financial*  
19       *assistance received pursuant to this section.*

20           “(6) *In developing regulations under this section,*  
21       *the Secretary shall consult with the appropriate Federal*  
22       *agencies, with representatives of appropriate State and*  
23       *local governments, commercial and industrial organiza-*  
24       *tions, public and private groups, and any other appro-*  
25       *priate organizations with knowledge or concerns regard-*

1       ing net adverse impacts that may be associated with the  
2       energy facilities affecting the coastal zone.

3       “(f) A coastal State may, for the purpose of carrying  
4       out the provisions of this section and with the approval of the  
5       Secretary, allocate all or a portion of any grant or loan  
6       received under this section to (1) a local government; (2)  
7       an areawide agency designated under section 204 of the  
8       Demonstration Cities and Metropolitan Development Act  
9       of 1966; (3) a regional agency; or (4) an interstate agency.

10       “(g) A coastal State which has experienced net adverse  
11       impacts in its coastal zone as a result of the development or  
12       production of energy resources or as a result of the location  
13       construction, expansion, or operation of energy facilities prior  
14       to the date of enactment of this section is entitled to receive  
15       from the Secretary grants or loans pursuant to subsections  
16       (a) and (b) of this section to the same extent as if such net  
17       adverse impacts were experienced after the date of enactment,  
18       and to the extent necessary to reduce or ameliorate or com-  
19       pensate for such net adverse impacts, within the limit of  
20       available funds. This subsection shall expire 5 years from  
21       the date of enactment of this section.

22       “(h) All funds allocated to the Secretary for the purposes  
23       of this section shall be deposited in a fund which shall be  
24       known as the Coastal Energy Facility Impact Fund. This  
25       fund shall be administered and used by the Secretary as a



1 revolving fund for carrying out such purposes. General  
2 expenses of administering this section may be charged to this  
3 fund. Moneys in this fund may be deposited in interest-bear-  
4 ing accounts or invested in bonds or other obligations which  
5 are guaranteed as to principal and interest by the United  
6 States.

7 “(i) In calculating the amount of a grant or loan, the  
8 Secretary shall give adequate consideration to the recommen-  
9 dations of a Coastal Impacts Review Board. Such Board  
10 shall consist of two members designated by the Secretary,  
11 one member designated by the Secretary of the Interior, and  
12 two members appointed by the President from a list of not less  
13 than six candidates submitted to the President by the Na-  
14 tional Governors’ Conference. Such Board shall recommend  
15 the award of grants or loans upon a determination of net  
16 adverse impacts and following the procedures and criteria  
17 set forth in this section.

18 “(j) Nothing in this section shall be construed to modify  
19 or abrogate the consistency requirements of section 307 of this  
20 Act.

21 “(k) In addition to other financial assistance to the  
22 States provided under this section, the Secretary shall make  
23 an automatic grant to each coastal State which is, as of the  
24 first day of the fiscal year—

1           “(1) *adjacent to Outer Continental Shelf lands on*  
2           *which oil or natural gas is being produced; or*

3           “(2) *permitting crude oil or natural gas to be*  
4           *landed in its coastal zone: Provided, That such crude*  
5           *oil or natural gas has been produced on adjacent Outer*  
6           *Continental Shelf lands of such State or on Outer Con-*  
7           *tinental Shelf lands which are adjacent to another State*  
8           *and transported directly to such State. In the event that*  
9           *a State is landing oil or natural gas produced adjacent*  
10          *to another State, the landing State shall be eligible for*  
11          *grants under this subsection at a rate half as great as that*  
12          *to which it would be eligible in any given year if the oil*  
13          *were produced adjacent to the landing State. In the*  
14          *event that a State is adjacent to Outer Continental Shelf*  
15          *lands where oil or natural gas is produced, but such oil*  
16          *or natural gas is landed in another State, the adjacent*  
17          *State shall be eligible for grants under this subsection at*  
18          *a rate half as great as that to which it would be eligible*  
19          *in any given year if the oil or natural gas produced*  
20          *adjacent to that State were also landed in that State.*

21          *Such States shall become eligible to receive such automatic*  
22          *grants in the first year that the amount of such oil or natural*  
23          *gas landed in the State or produced on Outer Continental*  
24          *Shelf lands adjacent to the State (as determined by the Sec-*  
25          *retary) exceeds a volume of 100,000 barrels per day of oil*

1 or an equivalent volume of natural gas. The Secretary shall  
2 establish regulations to assure that funds authorized by this  
3 subsection for grants to States shall be expended by the States  
4 for the purpose of reducing or ameliorating adverse impacts  
5 resulting from the exploration for, or the development or pro-  
6 duction of, energy resources or resulting from the location,  
7 construction, expansion or operation of a related energy  
8 facility. Such funds not so expended shall be returned to the  
9 Treasury. There are authorized to be appropriated for this  
10 purpose sufficient funds to provide such States with grants in  
11 the amount of 20 cents per barrel during the first year, 15  
12 cents per barrel during the second year, 10 cents per barrel  
13 during the third year, and 8 cents per barrel during the  
14 fourth and all succeeding years during which oil or gas is  
15 landed in such a State or produced on Outer Continental  
16 Shelf lands adjacent to such a State: Provided (A) such  
17 funds shall not exceed \$50,000,000 for the fiscal year ending  
18 June 30, 1976; \$12,500,000 for the fiscal quarter ending  
19 September 30, 1976; \$50,000,000 for the fiscal year ending  
20 September 30, 1977; and \$50,000,000 for the fiscal year  
21 ending September 30, 1978; and (B) such funds shall be  
22 limited to payments for the first million barrels of oil (or  
23 its gas equivalent) per day per State for the 10 succeeding  
24 fiscal years. The amount of such grant to each such State in  
25 any given year shall be calculated on the basis of the previous

1 year's volume of oil or natural gas landed in the State or  
 2 produced adjacent to the State. Such grants shall initially  
 3 be designated by each receiving State to retire State and local  
 4 bonds which are guaranteed under section 316 of this Act:  
 5 Provided, That, if the amount of such grants is insufficient  
 6 to retire both State and local bonds, priority shall be given  
 7 to retiring local bonds.

8       “(1) There are hereby authorized to be appropriated to  
 9 the Coastal Energy Facility Impact Fund such sums not to  
 10 exceed \$250,000,000 for the fiscal year ending June 30,  
 11 1976, not to exceed \$75,000,000 for the transitional fiscal  
 12 quarter ending September 30, 1976, not to exceed \$250,000,-  
 13 000 for the fiscal year ending September 30, 1977, and not  
 14 to exceed \$250,000,000 for the fiscal year ending September  
 15 30, 1978, as may be necessary, for grants and/or loans  
 16 under this section, to remain available until expended. No  
 17 more than 20 percent of the total amount appropriated to  
 18 such fund for a particular fiscal year, not to exceed \$50,-  
 19 000,000 per year, shall be used for the purposes set forth  
 20 in subsection (a) of this section.

21       **“INTERSTATE COORDINATION GRANTS TO STATES**

22       **“SEC. 309. (a)** The States are encouraged to give high  
 23 priority (1) to coordinating State coastal zone planning,  
 24 policies, and programs in contiguous interstate areas, and  
 25 (2) to studying, planning, and/or implementing unified

1 coastal zone policies in such areas. The States may conduct  
2 such coordination, study, planning, and implementation  
3 through interstate agreement or compacts. The Secretary is  
4 authorized to make annual grants to the coastal States, not to  
5 exceed 90 percent of the cost of such coordination, study,  
6 planning, or implementation, if the Secretary finds that each  
7 coastal State receiving a grant under this section will use  
8 such grants for purposes consistent with the provisions of sec-  
9 tions 305 and 306 of this title.

10 “(b) The consent of the Congress is hereby given to two  
11 or more States to negotiate and enter into agreements or com-  
12 pacts, not in conflict with any law or treaty of the United  
13 States, for (1) developing and administering coordinated  
14 coastal zone planning, policies, and programs, pursuant to  
15 sections 305 and 306 of this title, and (2) the establishment  
16 of such agencies, joint or otherwise, as the States may deem  
17 desirable for making effective such agreements and compacts.  
18 Such agreement or compact shall be binding and obligatory  
19 upon any State or party thereto without further approval by  
20 Congress.

21 “(c) Each executive instrumentality which is established  
22 by an interstate agreement or compact pursuant to this sec-  
23 tion is encouraged to establish a Federal-State consultation  
24 procedure for the identification, examination, and cooperative  
25 resolution of mutual problems with respect to the marine

1 *and coastal areas which affect, directly or indirectly, the*  
2 *applicable coastal zone. The Secretary, the Secretary of the*  
3 *Interior, the Chairman of the Council on Environmental*  
4 *Quality, and the Administrator of the Environmental Pro-*  
5 *tection Agency, or their designated representatives, are au-*  
6 *thorized and directed to participate ex officio on behalf of the*  
7 *Federal Government, whenever any such Federal-State*  
8 *consultation is requested by such an instrumentality.*

9       “(d) *Prior to establishment of an interstate agree-*  
10 *ment or compact pursuant to this section, the Secretary*  
11 *is authorized to make grants to a multistate instrumen-*  
12 *tality or to a group of States for the purpose of creating*  
13 *temporary ad hoc planning and coordinating entities to—*

14               “(1) *coordinate State coastal zone planning, poli-*  
15 *cies, and programs in contiguous interstate areas;*

16               “(2) *study, plan, and/or implement unified coastal*  
17 *zone policies in such interstate areas; and*

18               “(3) *provide a vehicle for communication with Fed-*  
19 *eral officials with regard to Federal activities affecting the*  
20 *coastal zone of such interstate areas.*

21 *The amount of such grants shall not exceed 90 percent of*  
22 *the cost of creating and maintaining such an entity. The*  
23 *Secretary, the Secretary of the Interior, the Chairman of the*  
24 *Council on Environmental Quality, and the Administrator*  
25 *of the Environmental Protection Agency, or their designated*

1 representatives, are authorized and directed to participate  
2 ex officio on behalf of the Federal Government, upon the  
3 request of the parties to such ad hoc planning and coordi-  
4 nating entities. This subsection shall become void and cease  
5 to have any force or effect 5 years after the date of enact-  
6 ment of this title.

7 **"COASTAL RESEARCH AND TECHNICAL ASSISTANCE**

8 "SEC. 310. (a) In order to facilitate the realization of  
9 the purposes of this Act, the Secretary is authorized to  
10 encourage and to support private and public organizations  
11 concerned with coastal zone management in conducting re-  
12 search and studies relevant to coastal zone management.

13 "(b) The Secretary is authorized to conduct a program  
14 of research, study, and training to support the development  
15 and implementation of State coastal zone management pro-  
16 grams. Each department, agency, and instrumentality of  
17 the executive branch of the Federal Government shall assist  
18 the Secretary, upon his written request, on a reimbursable  
19 basis or otherwise, in carrying out the purposes of this sec-  
20 tion, including the furnishing of information to the extent  
21 permitted by law, the transfer of personnel with their con-  
22 sent and without prejudice to their position and rating, and  
23 in the actual conduct of any such research, study, and train-  
24 ing so long as such activity does not interfere with the per-  
25 formance of the primary duties of such department, agency,

1 *or instrumentality. The Secretary may enter into contracts*  
2 *and other arrangements with suitable individuals, business*  
3 *entities, and other institutions or organizations for such pur-*  
4 *poses. The Secretary shall make the results of research*  
5 *conducted pursuant to this section available to any interested*  
6 *person. The Secretary shall include, in the annual report*  
7 *prepared and submitted pursuant to this Act, a summary and*  
8 *evaluation of the research, study, and training conducted*  
9 *under this section.*

10       “(c) *The Secretary is authorized to assist the coastal*  
11 *States to develop their own capability for carrying out short-*  
12 *term research, studies, and training required in support of*  
13 *coastal zone management. Such assistance may be provided*  
14 *by the Secretary in the form of annual grants. The amount*  
15 *of such a grant to a coastal State shall not exceed 80 percent*  
16 *of the cost of developing such capability.”*

17       (14) *Section 316, as redesignated, of such Act (16*  
18 *U.S.C. 1462) is amended by (A) deleting “and” at the end*  
19 *of paragraph (8) thereof immediately after the semicolon;*  
20 *(B) renumbering paragraph (9) thereof as paragraph (11)*  
21 *thereof; and (C) inserting the following two new para-*  
22 *graphs:*

23               “(9) *a general description of the economic, environ-*  
24 *mental, and social impacts of the development or produc-*



1        *tion of energy resources or the siting of energy facilities*  
 2        *affecting the coastal zone;*

3                *“(10) a description and evaluation of interstate and*  
 4        *regional planning mechanisms developed by the coastal*  
 5        *States; and”.*

6        *(15) Section 318, as redesignated, of such Act (16*  
 7        *U.S.C. 1464) is further redesignated and amended to read*  
 8        *as follows:*

9                **“AUTHORIZATION FOR APPROPRIATIONS**

10        *“SEC. 320. (a) There are authorized to be appro-*  
 11        *priated—*

12                *“(1) the sum of \$20,000,000 for the fiscal year*  
 13        *ending June 30, 1976, \$5,000,000 for the transitional*  
 14        *fiscal quarter ending September 30, 1976, \$20,000,000*  
 15        *for the fiscal year ending September 30, 1977, \$20,000,-*  
 16        *000 for the fiscal year ending September 30, 1978, and*  
 17        *\$20,000,000 for the fiscal year ending September 30,*  
 18        *1979, for grants under section 305 of this Act, to remain*  
 19        *available until expended;*

20                *“(2) such sums, not to exceed \$50,000,000 for the*  
 21        *fiscal year ending June 30, 1976, \$12,500,000 for the*  
 22        *transitional fiscal quarter ending September 30, 1976,*  
 23        *\$50,000,000 for the fiscal year ending September 30,*  
 24        *1977, \$50,000,000 for the fiscal year ending Septem-*

ber 30, 1978, \$50,000,000 for the fiscal year ending September 30, 1979, and \$50,000,000 for the fiscal year ending September 30, 1980, as may be necessary, for grants under section 306 of this Act, to remain available until expended;

“(3) such sums, not to exceed \$5,000,000 for the fiscal year ending June 30, 1976, \$1,200,000 for the transitional fiscal quarter ending September 30, 1976, \$5,000,000 for the fiscal year ending September 30, 1977, \$5,000,000 for the fiscal year ending September 30, 1978, \$5,000,000 for the fiscal year ending September 30, 1979, \$5,000,000 for the fiscal year ending September 30, 1980, and \$5,000,000 for each of the fiscal years ending September 30, 1981, September 30, 1982, September 30, 1983, September 30, 1984, and September 30, 1985, as may be necessary, for grants under section 309 of this Act, to remain available until expended;

“(4) such sums, not to exceed \$5,000,000 for the fiscal year ending June 30, 1976, \$1,200,000 for the transitional fiscal quarter ending September 30, 1976, \$5,000,000 for the fiscal year ending September 30, 1977, \$5,000,000 for the fiscal year ending September 30, 1978, \$5,000,000 for the fiscal year ending September 30, 1979, \$5,000,000 for the fiscal year ending

1        *September 30, 1980, and \$5,000,000 for each of the*  
2        *fiscal years ending September 30, 1981, September 30,*  
3        *1982, September 30, 1983, September 30, 1984, and*  
4        *September 30, 1985, as may be necessary, for financial*  
5        *assistance under section 310(b) of this Act, to remain*  
6        *available until expended;*

7                *“(5) such sums, not to exceed \$5,000,000 for the*  
8        *fiscal year ending June 30, 1976, \$1,200,000 for the*  
9        *transitional fiscal quarter ending September 30, 1976,*  
10        *\$5,000,000 for the fiscal year ending September 30,*  
11        *1977, \$5,000,000 for the fiscal year ending September*  
12        *30, 1978, \$5,000,000 for the fiscal year ending Septem-*  
13        *ber 30, 1979, \$5,000,000 for the fiscal year ending*  
14        *September 30, 1980, and \$5,000,000 for each of the*  
15        *fiscal years ending September 30, 1981, September 30,*  
16        *1982, September 30, 1983, September 30, 1984, and*  
17        *September 30, 1985, as may be necessary, for financial*  
18        *assistance under section 310(c) of this Act, to remain*  
19        *available until expended;*

20                *“(6) the sum of \$50,000,000 for the fiscal year end-*  
21        *ing June 30, 1976, \$12,500,000 for the transitional fis-*  
22        *cal quarter ending September 30, 1976, \$50,000,000 for*  
23        *the fiscal year ending September 30, 1977, \$50,000,000*  
24        *for the fiscal year ending September 30, 1978, \$50,000,-*  
25        *000 for the fiscal year ending September 30, 1979, \$50,-*

1       000,000 for the fiscal year ending September 30, 1980,  
 2       and \$50,000,000 for each of the fiscal years ending Sep-  
 3       tember 30, 1981, September 30, 1982, September 30,  
 4       1983, September 30, 1984, and September 30, 1985, for  
 5       the acquisition of lands to provide for the protection of,  
 6       and access to, public beaches and for the preservation of  
 7       islands under section 306(d)(2) of this Act, to remain  
 8       available until expended; and

9               “(7) such sums, not to exceed \$10,000,000 for the  
 10       fiscal year ending June 30, 1976, \$2,500,000 for the  
 11       transitional fiscal quarter ending September 30, 1976,  
 12       \$10,000,000 for the fiscal year ending September 30,  
 13       1977, \$10,000,000 for the fiscal year ending September  
 14       30, 1978, \$10,000,000 for the fiscal year ending Septem-  
 15       ber 30, 1979, \$10,000,000 for the fiscal year ending  
 16       September 30, 1980, and \$10,000,000 for each of the  
 17       fiscal years ending September 30, 1981, September 30,  
 18       1982, September 30, 1983, September 30, 1984, and  
 19       September 30, 1985, as may be necessary, for grants  
 20       under section 315 of this Act, to remain available until  
 21       expended.

22               “(b) There are also authorized to be appropriated such  
 23       sums, not to exceed \$5,000,000 for the fiscal year ending  
 24       June 30, 1976, \$1,200,000 for the transitional fiscal quarter  
 25       ending September 30, 1976, \$5,000,000 for the fiscal year

1 ending September 30, 1977, \$5,000,000 for the fiscal year  
 2 ending September 30, 1978, \$5,000,000 for the fiscal year  
 3 ending September 30, 1979, and \$5,000,000 for the fiscal  
 4 year ending September 30, 1980, as may be necessary, for  
 5 administrative expenses incident to the administration of this  
 6 Act.”.

7 (16) The Coastal Zone Management Act of 1972, as  
 8 amended (16 U.S.C. 1451 et seq.) is amended by inserting  
 9 therein the following two new sections:

10 “LIMITATIONS

11 SEC. 318. (a) Nothing in this Act shall be construed—

12 “(1) to authorize or direct the Secretary, or any  
 13 other Federal official, to intercede in a State land- or  
 14 water-use decision with respect to non-Federal lands  
 15 except to the extent and in the manner specifically au-  
 16 thorized by this Act;

17 “(2) to require the approval of the Secretary as  
 18 to any particular State land- or water-use decision as  
 19 a prerequisite to such State’s eligibility for grants or  
 20 loans under this Act; or

21 “(3) to expand or extend Federal review or ap-  
 22 proval authority with respect to the siting or location of  
 23 any specific energy facility.

24 “(b) Any grant or loan made pursuant to this Act  
 25 shall not be deemed a ‘major Federal action’ for the purposes

1 of section 102(2)(C) of the National Environmental Policy  
2 Act of 1969 (Public Law 91-190).

3 “STATE AND LOCAL GOVERNMENT BOND GUARANTEES

4 “SEC. 319. (a) The Secretary is authorized, subject to  
5 such terms and conditions as the Secretary prescribes, to make  
6 commitments to guarantee and to guarantee against loss of  
7 principal or interest the holders of bonds or other evidences  
8 of indebtedness issued by a State or local government to re-  
9 duce, ameliorate or compensate the adverse impacts in the  
10 coastal zone resulting from or likely to result from the ex-  
11 ploration for, or the development of production of, energy re-  
12 sources of the Outer Continental Shelf.

13 “(b) The Secretary shall prescribe and collect a guaran-  
14 tee fee in connection with guarantees made pursuant to this  
15 section. Such fees shall not exceed such amounts as the Secre-  
16 tary estimates to be necessary to cover the administrative costs  
17 of carrying out the provisions of this section. Sums realized  
18 from such fees shall be deposited in the Treasury as  
19 miscellaneous receipts.

20 “(c)(1) Payments required to be made as a result of  
21 any guarantee pursuant to this section shall be made by the  
22 Secretary of the Treasury from funds hereby authorized to  
23 be appropriated in such amounts as may be necessary for  
24 such purpose.

25 (2) If there is a default by a State or local government

1 in any payment of principal or interest due under a bond or  
2 other evidence of indebtedness guaranteed by the Secretary  
3 pursuant to this section, any holder of such a bond or other  
4 evidence of indebtedness may demand payment by the Secre-  
5 tary of the unpaid interest on and the unpaid principal of  
6 such obligation as they become due. The Secretary, upon in-  
7 vestigation, shall pay such amounts to such holders, unless  
8 the Secretary finds that there was no default by the State or  
9 local government involved or that such default has been reme-  
10 died. If the Secretary makes a payment under this para-  
11 graph, the United States shall have a right of reimbursement  
12 against the State or local government involved for the amount  
13 of such payment plus interest at prevailing rates. Such right  
14 of reimbursement may be satisfied by the Secretary by treating  
15 such amount as an offset against any revenues due or to  
16 become due to such State or local government under section  
17 308(k) of this Act, and the Attorney General, upon the re-  
18 quest of the Secretary, shall take such action as is, in the  
19 Secretary's discretion, necessary to protect the interests of the  
20 United States, including the recovery of previously paid  
21 funds that were not applied as provided in this Act. However,  
22 if the funds accrued by or due to the State in automatic grants  
23 under section 308(k) of this Act are insufficient to reimburse  
24 the Federal Government in full for funds paid under this  
25 section to retire either the principal or interest on the de-

1 *faulted bonds, the Secretary's right of reimbursement shall*  
2 *be limited to the amount of such automatic grants accrued*  
3 *or due. Funds accrued in automatic grants under section*  
4 *308(k) of this Act subsequent to default shall be applied*  
5 *by the Secretary toward the reimbursement of the obligation*  
6 *assumed by the Federal Government."*.

7       *SEC. 103 (a) There shall be in the National Oceanic*  
8 *and Atmospheric Administration an Associate Administrator*  
9 *for Coastal Zone Management who shall be appointed by the*  
10 *President, by and with the advice and consent of the Senate.*  
11 *Such Associate Administrator shall be a qualified individual*  
12 *who is, by reason of background and experience, especially*  
13 *qualified to direct the implementation and administration of*  
14 *this Act. Such Associate Administrator shall be compensated*  
15 *at the rate now or hereafter provided for level V of the Ex-*  
16 *ecutive Schedule Pay Rates (5 U.S.C. 5316).*

17       *(b) Section 5316 of title 5, United States Code is*  
18 *amended by adding at the end thereof the following new para-*  
19 *graph:*

20       *"(135) Associate Administrator for Coastal Zone Man-*  
21 *agement, National Oceanic and Atmospheric Administra-*  
22 *tion."*.



Amend the title so as to read: “A bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy facility and resource development which affects the coastal zone, and for other purposes.”.

Calendar No. 271

84TH CONGRESS  
1ST SESSION

**S. 586**

[Report No. 94-277]

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## A BILL

To amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes.

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By Mr. HOLLINGS, Mr. MAGNUSON, Mr. JACKSON, Mr. KENNEDY, Mr. MATTHIAS, Mr. TUNNEY, Mr. WILLIAMS, Mr. CASE, Mr. HARTKE, Mr. HUMPHREY, Mr. INOUYE, Mr. PELL, Mr. RUBIOFF, and Mr. WEICKER

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FEBRUARY 5, 1975

Read twice and referred to the Committee on  
Commerce

JULY 11 (legislative day, JULY 10), 1975  
Reported with amendments